

**AGENDA MEMO**

**CITY COUNCIL MEETING DATE: FEBRUARY 21, 2007**

**DEPARTMENT: CITY ATTORNEY**

**ITEM DESCRIPTION: Discussion and possible action to authorize the City Manager to pay \$273,000 as the City's portion of a proposed settlement in the matter of City of Las Vegas and Nevada Business Services v. Las Vegas City Employees Association (LVCEA), Nevada Supreme Court Case No. 47902, if other signatories to the Nevada Business Services (NBS) interlocal agreement legally authorize their contractually-required sums - All Wards**

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Starting over two decades ago Clark County, Las Vegas, and other municipalities entered into interlocal agreements to create NBS, in order to pass through federal funds for job training. Each signatory to the interlocal agreement provided one elected official to sit on the board of NBS. A funding formula was set forth to distribute financial obligations not covered by federal funds. Under the formula Clark County and Las Vegas each paid 42%, with the remaining 16% distributed among the other signatories.

Employees of NBS were government employees represented by the Las Vegas City Employee Association (LVCEA). Las Vegas provided management services. Clark County provided legal advice. In 2000 it was decided to close NBS and form NBS, Inc. The LVCEA contract provided that written notice need be given before any reduction in force. The NBS executive director did not do this.